NEWS – CONGRESSMAN PETE STARK 239 Cannon House Office Building Washington, DC 20515 (202) 225-5065 www.stark.house.gov

FOR IMMEDIATE RELEASE Monday, April 18, 2011

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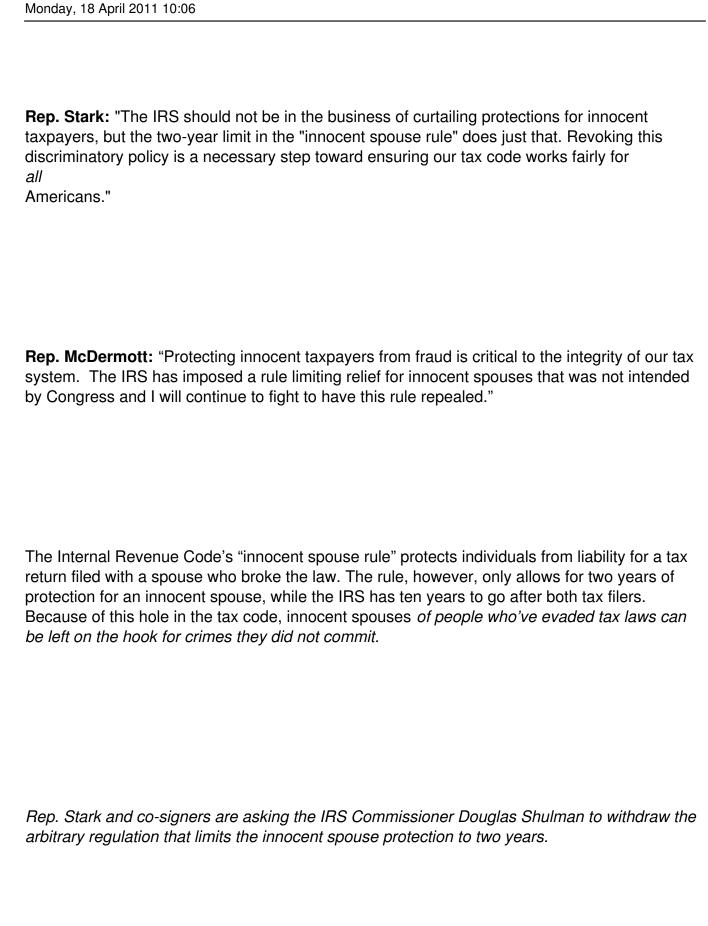
STARK: FIX TAX POLICY THAT HURTS INNOCENT SPOUSES

Calls on IRS to Addresses a Top Request of National Taxpayer Advocate

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WASHINGTON- Rep. Pete Stark (D-CA) and Rep. Jim McDermott (D-WA) were joined by 48 of his colleagues on a letter requesting the IRS Commissioner address a longstanding problem that hurts innocent taxpayers, who are disproportionately women, and leaves them liable for the misdeeds of their spouses. Co-signers include the *entire Democratic membership of Ways & Means, the Committee with jurisdiction over tax issues*

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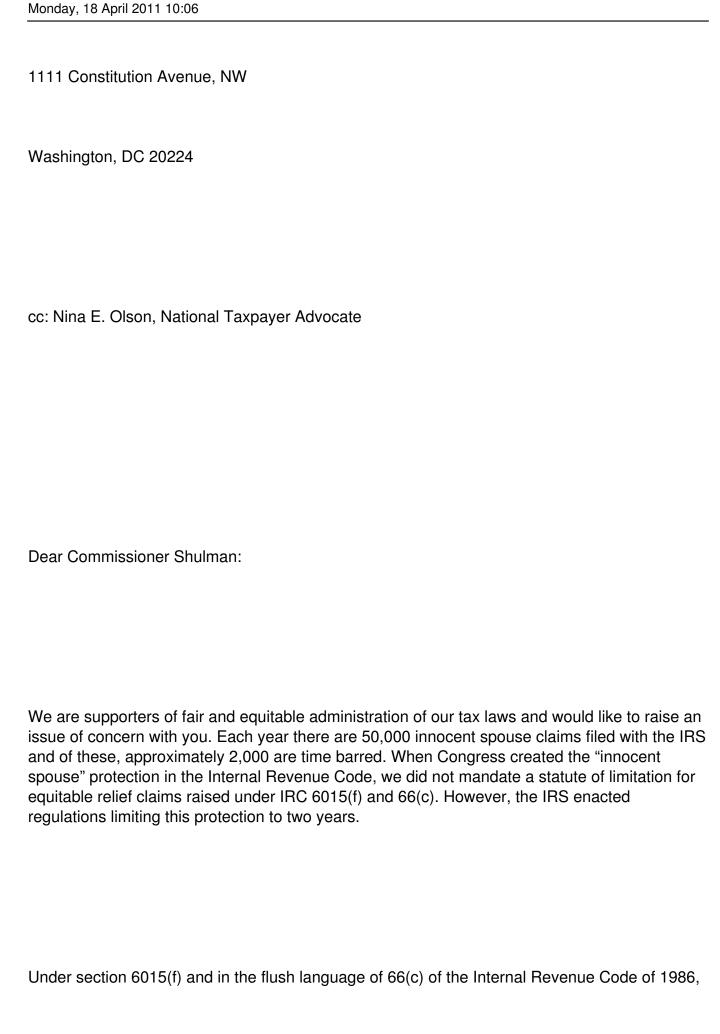


Fixing the	"innocent	Shouse	rule" has	widespread	sunnort.
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 It was the No. 3 legislative recommendation from the National Taxpayer Advocate, Nina Olson, in her 2010 report to Congress. The Tax Court has ruled in multiple decisions that the two-year limitation is invalid. The Stark letter is endorsed by the National Women's Law Center.
The text of the letter is below. For a PDF of the letter, click here.

April 18, 2011
The Honorable Douglas Shulman
Commissioner
Internal Revenue Service

PRESS RELEASE: Stark: Fix Tax Policy That Hurts Innocent Spouses



equitable tax relief is available when "taking into account all facts and circumstances, it is inequitable to hold the individual liable for any unpaid tax or any deficiency (or any portion of either)." No time limit on raising this defense is provided within the Code itself. The IRS improperly "borrowed" the two-year statute of limitations in 6015(b) and 6015(c) and applied it to these other sections of the Code when it crafted Revenue Procedure 2000-15 and Treas. Reg. 1.6015-5, and in doing so, violated the spirit of the original law.

The lack of any statute of limitations within 6015(f) should be interpreted as intentional. The Supreme Court held in Russello v. United States, that where Congress includes particular language in one section of a statute but omits it in another section of the same Act, it is generally presumed that Congress acts intentionally and purposely in the disparate inclusion or exclusion. 464 U.S. 16 (1983).

Section 6015 was created by Congress as part of the Internal Revenue Service Restructuring and Reform Act of 1998. Several of the women who testified before the Senate Finance Committee about the need for an innocent spouse rule would not have been eligible for relief if there had been a two-year statute of limitations to their claims. Section 6015(f) was meant to function as a "safety valve". When a spouse does not meet the requirements of 6015(b) and (c) the court may weigh all facts and circumstances under 6015(f). By restricting these claims to only the first two years after the start of a collection action, the IRS determined that an analysis of all facts and circumstances is important in only the first two years. Therefore, in years three through ten, the only factor considered that may be weighed when there is a request for relief, is the date the defense is raised.

We urge the IRS to reconsider its position on Revenue Procedure 2000-15 and Treas. Reg. 1.6015-5 and withdraw the two-year statute of limitations imposed on 66(c) and 6015(f).

Thank you for your consideration.
Sincerely,
Pete Stark
Jim McDermott
Sander Levin
Charles Rangel
John Lewis
Richard E. Neal
Xavier Becerra

Lloyd Doggett		
Mike Thompson		
John B. Larson		
Earl Blumenauer		
Ron Kind		
Bill Pascrell		
Shelley Berkley		
Joseph Crowley		
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Monday, 18 April 2011 10:06
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